

REQUEST FOR PROPOSALS

Cover Sheet



welcome neighbors.

Date of RFP Issuance: March 23, 2022

Project Number: 22-003

RFP Title: Audit Services

Proposals Due: April 11, 2022, 4:00 p.m., Local Time

For Additional Information Please Contact: Danette Ruvalcaba, Director of Finance
(303) 644-3249 Ext. 1021
Email: druvalcaba@bennett.co.us

Documents Included in This Package: RFP Cover Sheet
Project Background and Specifications
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Special Terms and Conditions

PROJECT BACKGROUND AND SPECIFICATIONS

I BACKGROUND

The Town of Bennett ("Town") desires to solicit proposals from interested firms or persons to prepare financial statements and audit the financials for the fiscal year ending December 31st, 2021, with the option of preparing financial statements and auditing the financials in subsequent years ("Project"). The firm must be certified and qualified to audit municipal governments. These audits are to be performed in accordance with generally accepted auditing standards, the Colorado Local Government Audit Law, C.R.S. § 29-1-601 et. seq., the standards set forth for financial audits in the U.S. General Accounting Office's (GAO) Governmental Auditing Standards and the provisions of the federal Single Audit Act and U.S. Office of Management and Budget (OMB) Circular A-128 Audits of the State and Local Governments. This document sets forth general information and requirements for persons and firms ("Proposers") interested in submitting "Proposals" in response to this Request for Proposals ("RFP").

II PROJECT DESCRIPTION

A. Name and Telephone Number of Contact Person

The Auditor's principal contact with the Town will be Danette Ruvalcaba, Director of Finance, 303-644-3249 ext. 1021.

B. Background Information

The Town of Bennett is a statutory town located in both Adams and Arapahoe Counties. The Town is governed by a Board of Trustees elected for four-year terms. Bennett was incorporated on September 25, 1929.

More detailed information on the government and its finances can be found in the 2022 Budget document and/or the Audited Financial Statements for the year ended December 31, 2019, or 2020. These documents are available on the Town's website www.TownofBennett.Colorado.gov.

C. Fund Structure

The Town uses the following fund types and account groups in its financial reporting:

Fund Type

* Governmental, including General, Conservation Trust, Sales Tax Capital Improvement, and Road and Bridge. (12 Funds)

* Business Type Activities-Enterprise Funds, including Water and Wastewater. (5 Funds)

D. Budgetary Basis of Accounting

The Town prepares budgets for governmental fund types on the modified accrual basis of accounting adjusted to accrued compensated absences. Budgets for proprietary funds and non-expendable trust

funds are prepared on an accrual basis modified to include debt service principal payments and capital expenditures and to exclude depreciation and amortization and adjustments for accrued compensated absences.

E. Federal and State Financial Assistance

The Town was required to have a single audit for the year ended December 31, 2018. It will not require a single audit in 2021.

F. Component Units

The Town has one component unit, the Antelope Hills General Improvement District

III SCOPE OF WORK

A. General

The Town is soliciting the services of qualified certified public accounting firms to audit and its financial statements for the year ending December 31, 2021, with the option to audit the Town's financial statements for subsequent years. These audits are to be performed in accordance with provisions contained in this request for proposals and in compliance with the Town's Financial Policy.

B. Services

The Town is soliciting a firm to:

1. Audit the financial statements of the Town's governmental and business-type activities, each major fund, and the aggregate remaining fund information in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards and express an opinion as to the compliance of these statements with generally accepted accounting principles.
2. Prepare, edit, and print the financial statements, notes, and all required supplementary schedules and statistical data.
3. Issue a report in accordance with Government Auditing Standards on the Town's internal control over financial reporting and results of testing regarding the Town's compliance with provisions of laws, regulations, contracts, grant agreements, and/or other matters.

The auditor shall also be responsible for performing certain limited procedures involving supplementary information required by the Governmental Accounting Standards Board as mandated by generally accepted auditing standards.

C. Auditing Standards to be Followed

To meet the requirements of this request for proposals the audit shall be performed in accordance with generally accepted audits in the U.S. General Accounting Office's (GAO) Governmental Auditing Standards and the provisions of the federal Single Audit Act and U.S. Office of Management and Budget (OMB) Circular A-128 Audits of State and Local Governments. If applicable, the audit may also include testing or reviews as necessary to conform to Federal single audit requirements and in accordance with government auditing standards and procedures issued by the Comptroller General of the United States of America.

It is contemplated that the auditing firm will express an unqualified opinion on the financial statements. If during the performance of the audit, it appears probable that an unqualified opinion cannot be issued, the auditing firm will promptly notify the Director of Finance, in writing, stating all matters which preclude the issuance of an unqualified opinion. Additionally, the auditor shall directly contact the Director of Finance should any concerns arise during the audit process which would warrant such contact.

Non-reportable conditions discovered by the auditors shall be reported in a separate letter to the Town Administrator and Town Board, which shall be referred to in the reports on internal controls. Any changes noted by the auditors that would improve the efficiency of the Town's operations shall be included in a letter to the Town Administrator and Town Board.

The auditors shall be required to make an immediate, written report on all irregularities and illegal acts or indications of illegal acts to the Town Administrator and the Town Board as well as any required oversight body or grantor.

D. Reporting Requirements

1. A report of examination of the financial statements stating the scope of the examination and that the audit was performed in accordance with generally accepted auditing standards (or any other appropriate standards, rules, or regulations). This report must include an opinion as to whether the statements conform to generally accepted accounting principles. A signed copy of the opinion plus a signed electronic copy will be required by the Town. (Additional bound copies of the complete report may be required.)
2. If a single audit is required, a report on internal control and compliance in accordance with the standards for financial and compliance audits contained in the Standards of Audits of Government Organizations, Programs, Activities, and Functions issued by the U.S. General Accounting Office and the Single Audit Act of 1984 (as amended in 1996) provisions of OMB circular A 133 (as revised) (or any other appropriate standards, rules, or regulations). Findings of ineligible expenditures must be represented in enough detail for Town management to be able to clearly understand them. A signed copy of the opinion plus a signed electronic copy will be required by the Town.
3. A letter to management containing comments on compliance, recommendations for improvements, and any other comments deemed pertinent by the auditors and recommendations affecting the financial statements, internal control, accounting, accounting systems, legality of actions, other instances of noncompliance with laws and

regulations, and any other material matters. A signed copy of this letter, plus a signed electronic copy will be required by the Town.

4. The firm is requested to make a formal presentation on the audit by the partner in charge of the audit (or other audit staff as approved by the Director of Finance) to the Town Board which is normally during a regularly scheduled Town Board meeting as dictated in the Town's Financial Policy.

E. Working Paper Retention and Access to Working Papers

All working papers and reports must be retained at the auditor's expense for a minimum of five (5) years unless the firm is notified in writing by the Town of the need to extend the retention period. The auditor shall be required to make working papers available upon request to the Town as part of an audit quality review process.

In addition, the firm shall respond to reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters on continuing accounting significance.

IV FIRM'S QUALIFICATIONS

The successful firm will be a firm with considerable experience in local government auditing. The firm will have a sufficient depth of staff to provide technical expertise in related advisory areas, including taxation and internal control. The firm will have the ability to provide consulting services in a variety of areas which may be arranged through separate engagements.

- A. Audit Personnel:** The successful firm will assign personnel to the engagement that has considerable expertise in local government auditing. The firm will have low turnover so that staffing is consistent from year-to-year. Audit staff will receive sufficient training to keep apprised of current governmental accounting issues.
- B. Approach to Audit:** A planning conference will be held between the audit firm and Town Finance staff prior to the start of fieldwork each year. This conference should include the discussion of key audit issues, audit staffing, Town staffing, scheduling and dates for audit work, audit work papers and any other areas of concern by either party. Communication of the status of the audit through periodic meetings or other means during and after the completion of fieldwork is required. An exit conference will be conducted at the completion of the audit each year to discuss and plan around any problems that occurred during the audit.
- C. References:** The successful firm will provide references from communities of a similar size.

The firm will clearly express what it needs from the Town and provide the Town with sufficient time to provide materials and data. The firm will have a mechanism for promptly apprising the Director of Finance of issues arising during the course of an audit. The firm will advise the Director of Finance of compliance comments and recommendations for improvements during the course of performing fieldwork. Compliance comments and recommendations for improvement will be provided to the Director of Finance in final form within ten days of notation and must be resolved through discussion

with the Director of Finance prior to close of field work. Any comments contained in the Management Letter will provide sufficient background, detail and documentation of fact to support each finding and to enable the Town to undertake corrective action without need for further consultation. The Town expects that comments and recommendations contained in the Management Letter will incorporate the reply of Town management for each finding.

The successful firm will provide all services indicated in this RFP within the time frame agreed upon by the Town.

ASSISTANCE TO BE PROVIDED TO THE AUDITOR AND REPORT PREPARATION

The Town will be available during the audit to assist the audit firm. Currently, the Town has a Finance Director, an Accountant and a Utility Billing Clerk. We work with the following software companies:

- Yooz, invoice approval software.
- Caselle, accounting and utility billing software.
- Bank of the West-main operating account.
- Paylocity, payroll and time management.
- RMMI, document retention software.

The Town's Director of Finance will coordinate the audit process and will be available to explain the Town's various systems. Systems documentation will be the responsibility of the audit firm. The Town has no internal audit staff.

The Town will prepare working trial balances, accounts payable list, bank reconciliations, investment reconciliations, fixed asset records, and reconciliations of other asset and liability accounts. Any additional schedules that the audit firm would like Town staff to provide should be identified in the firm's proposal.

The Town will provide all reasonable assistance to the selected firm and will respond promptly to requests for information, provide all necessary books and records, and provide the physical facilities needed for the audit engagement.

The Town will provide the auditor with a reasonable workspace. The auditor will also be provided access to telephones, photocopying, internet, and FAX machine facilities.

V PROJECT SCHEDULE

Anticipated Milestones for the Project are as follows:

Consultant Contract with Audit Firm: May 21, 2022
Working Papers and Audit Draft: June-July 2022
Town Review and MD&A Due: July 2022
Final Report Due: September 2022
Presentation to the Town Board: September 2022
Audit due to State (By Extension Deadline): September 2022

RFP INSTRUCTIONS

I QUESTIONS ABOUT RFP

All technical inquiries regarding this RFP shall be made in writing to **Danette Ruvalcaba**, **druvalcaba@bennett.co.us**, no later than five (5) days before Proposals are due.

II AMENDMENTS TO RFP

The Town reserves the right to amend this RFP by an addendum at any time prior to the date set for receipt of Proposals. Addenda or amendments will be posted on the Town's website as soon as available and shall be the responsibility of the Proposer to obtain all addenda. If revisions are of such a magnitude to warrant, in the Town's opinion, the postponement of the date for receipt of Proposals, an addendum will be issued announcing the new date.

III CONTENTS OF PROPOSAL

The Proposal shall contain, at a minimum, the following information:

- C. Statements of Qualifications including:
 - i. General firm information including length of time in business
 - ii. Resumes of key project personnel and percent of the team that is local
 - iii. Location of key project personnel and availability
- D. Proposed Project team including Project Administrator and proposed subcontractors (if any). Include information on subcontractors, including subcontractor personnel who will be working on the project and their specific roles.
- E. Approach to completing the Project, including addressing the elements of the Scope of Services contained within this RFP, and any additional anticipated issues and proposed strategies for addressing the issues based on additional insight, capabilities or perspectives of the Proposer.
- F. Project descriptions and references from at least three projects with similar size, type, and scope. These projects should demonstrate the experience of the project team and should have been completed during the past five years. The descriptions should include whether the project was completed on time and within budget per the original schedule and budget; any discrepancies should be explained.
- G. Proposed schedule to complete the Project.
- H. Detailed fee schedule tied to the Scope of Services, including a "Not to Exceed" contract amount and hourly rates of key personnel.
- I. Completed Pricing Form and Submission of Total Contract Costs

IV INSTRUCTIONS FOR SUBMITTING PROPOSAL

One (1) copy of the Proposal shall be submitted via the link:

<https://app.smartsheet.com/b/form/efc2e7031002488a99b23c1734664982>

Proposals received after the Proposal deadline shall be considered non-responsive.

V MODIFICATIONS TO OR WITHDRAWAL OF PROPOSALS.

Proposals may only be modified in the form of a written notice on company letterhead and must be received prior to the Proposal deadline.

Proposals may be withdrawn prior to Proposal deadline. Such requests must be made in writing on company letterhead. Proposals may not be withdrawn after the Proposal deadline for a period of ninety (90) calendar days. If a Proposal is withdrawn during this ninety-day period, the Town may, at its option, choose not to accept any Proposal from the Proposer for a six-month period following the withdrawal.

VI EVALUATION CRITERIA

Proposals shall be reviewed and evaluated by Town staff and/or consultants who may request additional information from Proposers or request interviews with one of more Proposers. Final evaluation and selection may be based on, but not limited to any of the following:

1. Qualifications of the Proposer
2. Reference checks
3. Total cost or proposed pricing
4. Ability of the Proposer to provide quality and timely services and products

TERMS AND CONDITIONS

1. **Responses to RFP.** All Proposals shall become the property of the Town upon receipt and will not be returned to the Proposer. Selection or rejection will not affect this right. Any confidential/proprietary information submitted in response to this request shall be readily

identified, clearly marked and separated from the rest of the response. Co-mingling of confidential/proprietary and other information is not acceptable. Submittals will be handled in accordance with applicable federal and state public records laws and procurement regulations. Neither cost information nor the total Proposal will be considered confidential/proprietary.

2. **Rejection Rights.** The Town reserves the right to reject all Proposals and re-solicit if deemed by the Town to be in its best interests and to abandon the Project and this RFP at any time for any or no reason. The Town is not obligated to accept the lowest cost proposed, is not obligated to accept any Proposal, and will make its determination based on the best interests of the Town.
3. **Other Conditions; Reservation of Rights.** This is a solicitation and not an offer to contract. The provisions in this RFP and any procurement or purchasing policies or procedures of the Town are solely for the fiscal responsibility of the Town and confer no rights, duties, or entitlements to any party submitting responses to this solicitation. The Town reserves the right to issue clarifications and other directives concerning this RFP, to make and issue modifications to the RFP schedule; to require clarification or further information with respect to any response or Proposal received; to waive any informalities or irregularities; and to determine the final scope and terms of any contract, and whether to enter any contract. The provisions herein confer no rights, duties or entitlements to any Proposer.
4. **Proposer's Responsibilities.** Proposer shall make all investigations necessary to thoroughly inform themselves regarding the Project and are expected to examine the drawings, specifications, schedule of delivery, and all instructions. Failure to do so is at the risk of the Proposer.
5. **Costs of Response Preparation and Other Charges.** Proposers are solely responsible for all costs of preparing their proposals and participation in this RFP, and the Town assumes no responsibility for payment of any expenses incurred by a Proposer as part of this process. For the selected firm, no reimbursement will be made by the Town for any costs incurred prior to full execution of a contract and issuance of written notice by the Town to commence Project services.
6. **Agreement Required.** A written agreement will be required between the Town and the selected Proposer, which agreement will be in the form and substance required by the Town. A sample agreement is included with this RFP, but the Town reserves the right to modify the terms and conditions thereof. The agreement shall include insurance requirements for both general liability and errors and omissions.
7. **Taxes.** Proposers shall not include federal, state, or local excise or sales taxes in prices offered, as the Town is exempt from payment of such taxes. Town tax identification numbers will be made available to the selected contractor.
8. **Pricing.** Proposers may offer a cash discount for prompt payment. Discounts will be considered in determining the lowest net cost for the evaluation of Proposals; discounts for periods of less than twenty days, however, will not be considered in making the award. Proposers are encouraged to provide their prompt payment terms in the space provided on

the Pricing Form. If no prompt payment discount is being offered, the Proposer shall enter a zero (0) for the percentage discount to indicate net thirty days.

- 9. No Collusion.** The Proposer, by affixing its signature to this RFP, certifies that its Proposal is made without previous understanding, agreement, or connection either with any persons, firms or corporations making a Proposal for the same items or with the Town. The Proposer also certifies that its Proposal is in all respects fair, without outside control, collusion, fraud, or otherwise illegal action. To ensure the integrity of the Town's public procurement process, all Proposers are hereby placed on notice that any and all Proposers who falsify the certifications required in conjunction with this section will be prosecuted to the fullest extent of the law.
- 10. Elimination from Consideration.** A Proposal may not be accepted from, nor any contract be awarded to, any person or firm which is in arrears to the Town upon any debt or contract or which is a defaulter as surety or otherwise upon any obligation to the Town. A Proposal may not be accepted from, nor any contract awarded to, any person or firm which has failed to perform faithfully any previous contract with the Town, state or federal government, for a minimum period of three years after this previous contract was terminated for cause.
- 11. Equal Opportunity.** The Town intends and expects that the contracting processes of the Town and its vendors provide equal opportunity without regard to gender, race, ethnicity, religion, age or disability and that its vendors make available equal opportunities to the extent third parties are engaged to provide goods and services to the Town as subcontractors, vendors, or otherwise. Accordingly, the vendor shall not discriminate on any of the foregoing grounds in the performance of the contract and shall make available equal opportunities to the extent third parties are engaged to provide goods and services in connection with the performance of the contract.